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Interim Director

### **Mission Statement**

*The Economic Development Department fosters sustainable economic growth, opportunities for job creation and revenue enhancement through comprehensive business expansion, attraction, and retention programs and services. The department will create strategic partnerships with public and private entities to enhance global competitiveness and entrepreneurial development.*



### **GOALS**

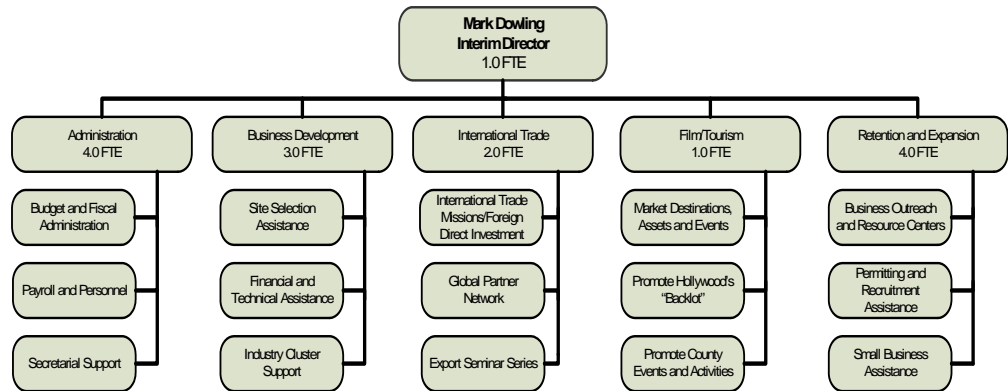
**FOSTER JOB CREATION,  
INCREASE PRIVATE  
INVESTMENT AND  
ENHANCE COUNTY  
REVENUES**

**CONTINUE TO DEVELOP  
OVERSEAS  
CONNECTIONS OF  
GLOBAL MARKETS**

**ENHANCE THE  
COUNTY'S POSITION AS  
A TOURIST  
DESTINATION AND A  
VIABLE LOCATION TO  
MAKE FILMS**

## **ECONOMIC DEVELOPMENT**

### **ORGANIZATIONAL CHART**



### **DESCRIPTION OF MAJOR SERVICES**

The Department of Economic Development's major goal is to foster job creation, increase private investment and enhance county revenues through the implementation of a countywide economic development strategy. The strategy focuses on maximizing the standard of living of the county's residents, providing economic opportunities for the county's businesses, fostering a competitive environment and positioning the county as a highly competitive region for business opportunities. The strategy will emphasize industry sectors with high-grow potential and offering high paying jobs.

The department spearheads initiatives with local, national and international impact by forming internal and external strategic partnerships with key public and private sector organizations including, but not limited to, the State of California, San Bernardino County cities, the County of Riverside, as well as non-profit development corporations, developers, brokers, site selectors, corporate real estate executives and tenant representatives. Outreach to private sector stakeholders is conducted via a comprehensive media/marketing campaign.

The department also creates and develops necessary support structures to foster a positive, creative and expanding business climate by offering a wide array of economic development programs and services including the following:

- Site Selection Assistance
- Market Analysis and Demographics
- Permitting Assistance
- International Trade Services
- Economic Development Loan Programs
- Enterprise Zone and Program Management
- Small Business Assistance and Technical Support
- Technical assistance and marketing support to county cities and economic development stakeholders.

### **2008-09 SUMMARY OF BUDGET UNITS**

	Appropriation	Revenue	Local Cost	Fund Balance	Staffing*
<b>General Fund</b>					
Economic Development	7,318,898	580,000	6,738,898		45.0
Total General Fund	7,318,898	580,000	6,738,898		45.0
<b>Special Revenue Funds</b>					
San Bernardino Valley Enterprise Zone	392,911	101,891		291,020	-
Total Special Revenue Funds	392,911	101,891		291,020	-
<b>Total - All Funds</b>	<b>7,711,809</b>	<b>681,891</b>	<b>6,738,898</b>	<b>291,020</b>	<b>45.0</b>

\* In August 2008, the Board approved a re-organization for this department; as a result, the staffing reflected in the organizational chart above does not match the Summary of Budget Units.

## GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

### GOAL 1: TO FOSTER JOB CREATION, INCREASE PRIVATE INVESTMENT AND ENHANCE COUNTY REVENUES THROUGH THE ATTRACTION AND EXPANSION OF BUSINESS.

*Objective A: Increase the number of job opportunities within the County by assisting with the expansion and attraction of new and existing businesses.*

*Objective B: Assist in keeping our existing businesses progressive and profitable and allowing companies the opportunity to grow within our community.*

MEASUREMENT	2006-07 Actual	2007-08 Actual	2008-09 Target	2008-09 Estimate	2009-10 Target
1A. Number of jobs created through the attraction and expansion efforts of the ED Department within the County of San Bernardino.	N/A	N/A	New	750	1,500
1B. Increase the percentage of businesses retention visits within the County. (baseline for 2008-09 is 160 visits)	N/A	N/A	N/A	N/A	237%

#### Status

Both the objectives and measures for the department have changed this year to provide more clarity in relation to the department's mission to foster job growth and increase revenue to the county's coffers along with focusing on retaining existing businesses. In addition, these new objectives also reflect the department's reorganization that took place on August 2008. The department's employment services division, composed of thirteen staff positions, were transferred to the Workforce Development Department. The remaining unfilled positions were reorganized to better serve the developer, broker and people that influence site selection along with business owners in regards to attraction, expansion and retention. This is reflected in Measurement 1A. With staff duties more clearly defined in regards to attraction efforts and a new reporting system in place, job creation will be emphasized and an increase is expected even with the declining economy.

With the economic downturn, retention has become a key factor in the economic development arena. Four new Business Service Specialist (BSS) positions have been established. They will focus on keeping county businesses healthy and profitable by working as a liaison between business resources and the businesses. They will provide feedback and ideas to assist with establishing new retention programs and assist with expansion strategies. Three BSS positions are expected to be filled by the first quarter of 2009. Also a new, Economic Development Specialist III position has been established to act as a project manager assisting companies throughout the development process and working with a team to develop county land.

The 2009-10 target for Measurement 1B reflects a significant increase as it reflects the extensive training that will be conducted for new staff during 2008-09. Also reflected in the increase is the fact that the BSS positions will be in place for the entire year. It is the department's goal to continue to have a five percent increase for this measurement on an annual basis after 2009-10.



### 2007-08 ACCOMPLISHMENTS

- ❖ Provided customized international training to more than 26 people
- ❖ Identified more than 32,000 job opportunities within the county
- ❖ Assisted businesses by filling more than 12,500 open positions
- ❖ Attended and sponsored 25 tradeshows
- ❖ Recent business successes include:
  - Ventura Foods
  - Flight Services and Systems
  - FMB Truck Outfitters
  - American Custom Coach
  - Victaulic
  - Icon Signs
- ❖ Helped more than 675 small businesses through seminars, one-on-one training and counseling sessions through the Inland Empire Center for Entrepreneurship and the Small Business Development Center



**GOAL 2: ESTABLISH AN IMAGE OF THE COUNTY AS A GLOBAL AND DIVERSE BUSINESS CENTER IN THE UNITED STATES BY CONTINUING TO DEVELOP OVERSEAS CONNECTIONS, INFRASTRUCTURE AND UNDERSTANDING OF GLOBAL MARKETS.**

*Objective A: Create a network of global business partners that will assist in promoting the County of San Bernardino as North America's leading region for international business opportunities and foreign direct investment.*

*Objective B: Educate local County of San Bernardino businesses on how to take advantage of export/import markets.*

*Objective C: Provide county area companies with business development opportunities abroad.*

MEASUREMENT	2006-07 Actual	2007-08 Actual	2008-09 Target	2008-09 Estimate	2009-10 Target
2A. Percentage of global business partners established and actively engaged with the County of San Bernardino. (baseline for 2006-07 is 15 partners)	N/A	130%	100%	100%	25%
2B. Percentage of Individuals that are provided with customized international training services. (baseline for 2006-07 is 64 individuals)	N/A	50%	16%	16%	16%
2C. Number of business delegates participating in trade missions led by the department.	N/A	15	40	20	20

**Status**

The increased capability and outreach made possible by the County of San Bernardino International Trade Division will help stimulate more businesses, particularly Small and Medium Enterprises (SME) to expand or develop international trade activity. Similarly, foreign businesses and investors seeking joint ventures or direct investment will have improved access to prospective joint venture partners and communities. Collectively, the international trade and investment outcomes expected from partnership activities will help boost long-term growth and job creation within the County of San Bernardino. Today, 45,000 jobs in the County of San Bernardino are directly tied to international trade and responsible for adding \$16 billion to the county's economy. Moreover, increasing the participation of San Bernardino County businesses in international trade, most notably on the part of SME's, helps improve diversity and stability in our economy.

The percentage growth in measurement 2A, 2B and 2C will be leveling off due to expected budget reductions in these areas. Measurements 2A, 2B and 2C growth is directly tied to growth in personnel and resources. Without increasing the budget, growth in services cannot be expected in the coming years. For 2009-10, the department anticipates a small increase in the number of global business partners engaged with the county. The other two tasks will continue at the established levels.

**GOAL 3: ENHANCE THE COUNTY OF SAN BERNARDINO'S POSITION AS A TOURIST DESTINATION AND PROMOTE THE COUNTY AS A VIABLE LOCATION TO MAKE FILMS THROUGH BRANDING AND MARKETING.**

*Objective A: Promote the county's high quality filming locations, close proximity to Hollywood and the favorable climate conditions to members in the filming industry.*

*Objective B: Promote specific regional tourist destinations.*

*Objective C: Sponsor events that create tourism within the county.*

### Status

Many areas of the county, including the mountain and desert communities, rely heavily on tourism as the primary economic engine in these regions. Tourism is also an important source of local revenue in terms of sales tax and transient occupancy tax (TOT). It is vitally important that the county support tourism development by implementing an aggressive print and television advertising campaign to reach out to potential new markets and build awareness of the county as a tourist destination. Additionally, tourism initiatives include outreach to travel writers and travel promoters/agents. The department has developed and strengthened key relationships with tourism stakeholders by serving on the Inland Empire Tourism Board and collaborating with all three state designated Welcome Centers located within the county.

In 2007-08, the county implemented a tourism campaign for the mountain communities to counteract the wildfires earlier in the year. The county allocated \$290,000 that resulted in a \$1.9 million increase in hotel revenues in Big Bear and Lake Arrowhead. In 2008-09, the department and the Economic Development Agency's marketing division coordinated to place five tourism ads in Southwest Airline's *Spirit* magazine along with displays in Ontario Airports touting Victoria Gardens. Additionally in 2007, the state's Welcome Centers conducted a survey that showed that if a person visits a Welcome Center for assistance, nearly 15 percent will lengthen their trip on an average by more than three days. For this reason, in 2008-09 the department produced 50,000 tri-folds to cross market the three county centers in Barstow, Yucca Valley and San Bernardino. The department also assembled an inventory of county tourism assets along with major annual events. This inventory will be a large part of the new website that will be up and running at the end of 2008-09. Lastly, the department distributed \$260,000 in TOT revenue back to 20 entities that promote tourism to the area.

San Bernardino County has been an important location for filming for many years. Much like tourism, filming can have a direct positive economic impact on the county's businesses as well as county sales tax and TOT revenue. Aggressive marketing efforts and incentives by other states and Canadian provinces will require an equally aggressive effort by the county if we are to maintain and grow filming market share. Staff continues to work with the Inland Empire Film Commission collaborating on permitting issues, marketing and relationship building with studios, site location scouts, independent film makers and commercial producers. The county is sponsoring four familiarization tours for location scouts around the county and has attended the California On Location Awards.

### 2009-10 REQUESTS FOR ADDITIONAL GENERAL FUND FINANCING

Brief Description of Policy Item, CIP, or BPI reserve funds request	Budgeted Staffing	Appropriation	Dept. Revenue	Local Cost
1. Continue the Fan Zone Title Sponsorship and the entitlement at the NASCAR Craftsman Truck Series event at the Auto Club Speedway		\$210,000	0	\$210,000
The department is requesting to continue to fund the contract with the Auto Club Speedway. This contract and the funding for this contract are ending on June 30, 2009. The department is renegotiating the contract and anticipates keeping the costs at the same level or lower. Currently, \$746,000 is paid by the Redevelopment Agency and \$210,000 is paid by general fund financing. Marketing at the Auto Club Speedway and through NASCAR continues to provide San Bernardino County the broadest possible audience to extend its image at far lower cost than would otherwise be possible. Through the FanZone, race sponsorship, signage throughout the venue, and various broadcasts ranging from regional shows to nationally syndicated hosts the county has been able to reach an audience of over 16.5 million people annually. Funding is requested for 2009-10 through 2011-12, which is the anticipated agreement period.				

MEASUREMENT	2006-07 Actual	2007-08 Actual	2008-09 Target	2008-09 Estimate	2009-10 Target
P1. Percentage increase of audience reached (16.5 million people reached in 2006-07).	N/A	2%	2%	2%	1%

### 2009-10 PROPOSED FEE ADJUSTMENTS

The department is not requesting any proposed fee adjustments for 2009-10.

If there are questions about this business plan, please contact Mark Dowling, Interim Director, at (909) 387-9802.